

§ 15-805. Financial disclosure laws

(a) ~~"Elected local official" and "local official" defined.~~ — **DEFINITIONS**

(1) In this section the following words have the meanings indicated.

~~[(2)]~~(A) "Elected local official" includes:

(i) any individual who holds an elective office of a county or municipal corporation; and

(ii) a candidate for elective office as a local official of a county or municipal corporation.

(B) "INTEREST IN A BUSINESS ENTITY" MEANS OWNERSHIP, OR THE OWNERSHIP OF SECURITIES OF ANY KIND REPRESENTING OR CONVERTIBLE INTO OWNERSHIP, OF MORE THAN 10 PERCENT (10%) OF A BUSINESS ENTITY.

~~(3)~~(C) "Local official" includes an individual, designated as a local official, whose position is funded wholly or partly by the State.

(2) THE TERMS "BUSINESS TRANSACTION" AND "CONTRACTUAL RELATIONSHIP" SHALL BE DEFINED BY EACH LOCAL GOVERNMENT THAT ADOPTS FINANCIAL DISCLOSURE REGULATIONS IN COMPLIANCE WITH THE REQUIREMENTS OF THIS SUBTITLE.

(b) Similarity to Ethics Law. —

(1) Except as provided in paragraph (2) of this subsection and subsection (c) of this section, the financial disclosure provisions enacted by a county or municipal corporation under § 15-803 of this subtitle shall be similar to the provisions of Subtitle 6 of this title, but shall be modified to the extent necessary to make the provisions relevant to the prevention of conflicts of interest in that jurisdiction.

(2) The financial disclosure provisions for elected local officials enacted by a county ~~or municipal corporation~~ under § 15-803 of this subtitle shall be equivalent to or exceed the requirements of Subtitle 6 of this title, but shall be modified to the extent necessary to make the provisions relevant to the prevention of conflicts of interest in that jurisdiction.

(3) THE FINANCIAL DISCLOSURE PROVISIONS FOR ELECTED OFFICIALS ENACTED BY A MUNICIPAL CORPORATION UNDER §15-803 OF THIS SUBTITLE SHALL BE SIMILAR TO THE PROVISIONS OF SUBTITLE 6 OF THIS TITLE AND, AT A MINIMUM, SHALL REQUIRE DISCLOSURE OF THE

FOLLOWING, BUT SHALL BE MODIFIED TO THE EXTENT NECESSARY TO MAKE THE PROVISIONS RELEVANT TO THE PREVENTION OF CONFLICTS OF INTEREST IN THAT JURISDICTION:

(I) INTERESTS IN REAL PROPERTY THAT IS:

(A) LOCATED WITHIN THE COUNTY OR COUNTIES IN WHICH THE MUNICIPALITY IS LOCATED; OR

(B) LOCATED ELSEWHERE IF ACQUIRED FROM OR IN CONJUNCTION WITH A PERSON OR ENTITY THAT HAS AT ANY TIME IN THE PAST TEN (10) YEARS HAD A CONTRACTUAL RELATIONSHIP WITH THE MUNICIPALITY OR ENGAGED IN A BUSINESS TRANSACTION (EXCLUDING REVOLVING CREDIT ACCOUNTS) WITH THE MUNICIPALITY OR FROM OR IN CONJUNCTION WITH A PERSON WHO OWNS AN INTEREST OF GREATER THAN 10% IN SUCH AN ENTITY;

(II) INTERESTS IN A BUSINESS ENTITY (EXCLUDING REVOLVING CREDIT ACCOUNTS) THAT:

(A) HAS A CONTRACTUAL RELATIONSHIP WITH THE MUNICIPALITY OR HAS ENGAGED IN A BUSINESS TRANSACTION WITH THE MUNICIPALITY DURING THE REPORTING PERIOD;

(B) DURING THE REPORTING PERIOD HAS MORE THAN FIFTY PERCENT (50%) OF THE GROSS INCOME OF THE BUSINESS DERIVED FROM CONTRACTS WITH LOCAL GOVERNMENTS IN MARYLAND, REGARDLESS OF WHETHER THE BUSINESS ENTITY HAS A CONTRACTUAL RELATIONSHIP WITH THE MUNICIPALITY OR HAS ENGAGED IN A BUSINESS TRANSACTION WITH THE MUNICIPALITY; OR

(C) IS LOCATED WITHIN THE MUNICIPALITY BUT DOES NOT HAVE A CONTRACTUAL RELATIONSHIP WITH THE MUNICIPALITY AND HAS NOT ENGAGED IN A BUSINESS TRANSACTION WITH THE MUNICIPALITY DURING THE REPORTING PERIOD.

(III) GIFTS, UNLESS EXEMPTED BY THE MUNICIPALITY'S CONFLICT OF INTEREST REQUIREMENTS.

(IV) EMPLOYMENT BY A BUSINESS ENTITY DOING BUSINESS WITH THE MUNICIPALITY.

(V) INDEBTEDNESS TO A BUSINESS ENTITY DOING BUSINESS WITH THE MUNICIPALITY, EXCLUDING REVOLVING CREDIT ACCOUNTS.

(VI) FAMILY MEMBERS EMPLOYED BY THE MUNICIPALITY.

(VII) PLACES OF SALARIED EMPLOYMENT.

(c) Minimum standards. --

(1) This subtitle does not compel the governing body of a county or municipal corporation to require a local official to file a financial disclosure statement except:

(i) when the personal interest of the local official will present a potential conflict with the public interest in connection with an anticipated public action of the local official; and

(ii) at least annually to report on gifts received by the local official.

(2) The provisions shall require:

(i) that a statement filed under paragraph (1)(i) of this subsection be filed sufficiently in advance of the action to provide adequate disclosure to the public; and

(ii) a statement filed by an elected local official under subsection (b)(2) of this section to be filed on or before April 30 of each year.

(d) Standards for candidates. -- Financial disclosure provisions applicable to a candidate shall be consistent with the provisions applicable to an incumbent holding the office involved.